

SENATE BILL REPORT

SB 6477

As of January 22, 2018

Title: An act relating to the voluntary option to purchase qualified alternative energy resources.

Brief Description: Concerning the voluntary option to purchase qualified alternative energy resources.

Sponsors: Senators Rolfes, Palumbo, Ranker, Chase and Saldaña.

Brief History:

Committee Activity: Energy, Environment & Technology: 1/23/18.

Brief Summary of Bill

- Requires an electric utility that serves more than 25,000 retail electric customers in the Washington to offer two qualified alternative energy resource options for a retail electric customer.

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TECHNOLOGY

Staff: Kimberly Cushing (786-7421)

Background: Voluntary Green Power Program. All electric utilities in the state, other than small electric utilities, are required to offer their customers the option to purchase electricity generated from qualified alternative energy resources.

A qualified alternative energy resource produces electricity from generation facilities fueled by: (1) wind; (2) solar energy; (3) geothermal energy; (4) landfill gas; (5) wave or tidal action; (6) gas produced during the treatment of wastewater; (7) qualified hydropower; or (8) biomass energy based on animal waste or solid organic fuels from wood, forest, or field residues or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives.

Small Electric Utilities. Small utility means any consumer-owned utility with 25,000 or fewer electric meters in service, or that has an average of seven or fewer customers per mile of distribution line.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Reporting Upon Request. Each consumer-owned utility must maintain and make available upon request to the Department of Commerce (Commerce), and each investor-owned utility must maintain and make available upon request to the Utilities and Transportation Commission (UTC) information describing their green option program, such as the option or options the utility is offering its customers and the rate of customer participation. Commerce and UTC must report to the Legislature upon request. Annual reporting requirements expired on October 1, 2012.

Summary of Bill: Unbundled and Bundled Resource Options. Each electric utility, other than small electric utilities, must provide a voluntary option to purchase qualified alternative energy resources for all or part of the customer's retail electric requirement. The option must be provided to new retail electric customers when service is established, and to existing retail electric customers through the utility's web site and through quarterly mailings.

An electric utility that serves 25,000 or fewer retail electric customers in Washington may provide a retail electric customer with an unbundled qualified alternative energy resource option for the nonpower attributes associated with electricity generation through either:

- resources it owns or contracts for; or
- the purchase of credits issued by a clearinghouse or other system where the utility may secure verifiable evidence that a second party has a qualified alternative energy resource and agrees to transfer the evidence exclusively to the benefit of the utility.

An electric utility that serves more than 25,000 retail electric customers in Washington must offer the following qualified alternative energy resource options from which a retail electric customer may choose:

- an unbundled resource option; and
- a bundled resource option, where the utility provides the customer with both the delivered electricity from qualified alternative energy resources, owned or contracted for by the utility and located within the Pacific Northwest, and the nonpower attributes associated with the electricity generation.

The nonpower attributes associated with electricity generation provided for the purpose of providing a voluntary qualified alternative energy resource option, may only be used once and must be retired the same year by the electric utility on behalf of the customer.

Biennial Reporting. In addition to making information relating to voluntary qualified alternative energy resource options available to Commerce or UTC, each electric utility must make the information available to its customers. Commerce and the UTC must request the information and, beginning December 31, 2018, electronically report the information biennially to the appropriate committees of the Legislature.

Appropriation: None.

Fiscal Note: Requested on January 20, 2018.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.